

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 EA-07 ISO-00 FEA-01 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05

SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02

OMB-01 /095 W

-----210235Z 102254 /64

R 201330Z MAY 77

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 4142

INFO AMEMBASSY TOKYO

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

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E.O.11652: N/A

TAGS: ETRD, EFIN, UK, OECD, JA

SUBJECT: UK TRADE MINISTER WARNS AGAINST PROTECTIONISM

1. IN A MAY 19 SPEECH TO THE BRITISH IMPORTERS' CONFED-
ERATION, TRADE MINISTER EDMUND DELL WARNED AGAINST THE
DANGERS OF CURRENT PROTECTIONIST PRESSURES IN TRADE
POLICY. STRESSING THE OBVIOUS, HE SAID THERE ARE TWO
TENDENCIES IN CONFLICT IN THE ACTUAL PRACTICE OF WORLD
TRADE TODAY: "THE CONTINUING DRIVE TO INDEPENDENCE REP-
RESENTED BY THE MTN" VERSUS THE "INCREASINGLY STRONG
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PROTECTIONIST TRENDS."

2. HE THEN PROCEEDED TO PILLORY JAPAN, WITHOUT MENTION-
ING IT BY NAME. DELL SAID THERE IS A CONSENSUS AMONG
MAJOR DEVELOPED COUNTRIES THAT THE OPEN TRADING SYSTEM
IS IN EVERYONE'S INTEREST, BUT THIS CONSENSUS IS THREAT-
ENED BY COUNTRIES "WHICH APPEAR TO EXPLOIT THE SYSTEM

WITHOUT PERMITTING IN THEIR OWN COUNTRIES SIGNIFICANT IMPORT PENETRATION." SHIFTING HIS APPARENT FOCUS TO THE U.S., HE STATED THAT THE RESULT OF THIS DEVELOPMENT IS TALK "IN SOME OTHER COUNTRIES OF WIDESPREAD ORDERLY MARKETING ARRANGEMENTS WHICH WOULD BE OPERATED TO PROTECT DOMESTIC MARKETS."

3. DELL ALSO STATED FOR THE PUBLIC RECORD THAT BRITAIN WOULD SUPPORT THE RENEWAL OF THE OECD TRADE PLEDGE FOR A FURTHER YEAR.

4. HE THEN WENT ON TO WARN BRITAIN ABOUT BEING "TOO EUPHORIC" REGARDING THE PRESENT FAVORABLE TREND TOWARDS A HEALTHY BALANCE OF PAYMENTS SURPLUS. "THE RESPONSIBILITY FOR THIS CHANGE IN TREND LIES PRIMARILY ON THE ACCIDENT OF NORTH SEA OIL AND RATHER LESS ON OUR SUCCESS AS AN EXPORTER OF MANUFACTURED PRODUCTS." HE UNDERLINED THAT THE SURPLUS WAS BEING ACHIEVED AGAINST THE BACKGROUND OF THE HIGHEST UNEMPLOYMENT LEVELS SINCE THE END OF THE SECOND WORLD WAR AND THAT AT THE SAME TIME THE RATE OF INFLATION WAS STILL FAR HIGHER THAN MOST OF BRITAIN'S INDUSTRIAL COMPETITORS.

SPIERS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, SPEECHES, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 20-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770536/aaaabexs.tel
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Litigation History:
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Message ID: f728408f-c288-dd11-92da-001cc4696bcc
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Review Date: 02-Mar-2005 12:00:00 am
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TAGS: ETRD, EFIN, UK, JA, OECD, (DELL EDMUND)
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